

---

# Expenditures

---

There are several things to keep in mind when making expenditures for the campaign. It is possible that a campaign may inadvertently violate campaign finance laws simply through oversight, rather than by any intentional act. The best way to avoid problems is to be familiar with the law and ensure that those individuals acting on behalf of the campaign understand the requirements of the campaign finance law.

## **WHAT IS AN EXPENDITURE?**

KRS 121.160(2)(c); KRS 121.175; KRS 121.180(3)(a)(5); 32 KAR 2:200

An expenditure includes reimbursement for actual expenses, a purchase or a payment made in support of or in opposition to a clearly identified candidate. All expenditures are reportable by the campaign. No campaign shall permit funds in its account to be expended for any purpose other than allowable expenditures.

### ***Allowable Expenditures***

KRS 121.175; KRS 121.180(10); 32 KAR 2:200

Do not permit funds in the campaign account to be expended for any purpose other than for allowable expenditures. Allowable expenditures are expenditures, including reimbursement for actual expenses, made directly and primarily in support of or opposition to a candidate.

Kentucky law recognizes the following **allowable expenditures**:

- Staff salaries (including a salary for the treasurer)
- Printing
- Advertising services
- Necessary travel
- Office space
- Paraphernalia including, but not limited to, hats, shirts, calendars, and magnets
- Postage

- Office supplies
- Equipment, purchased or rented, and used primarily for the administration of the campaign, including but not limited to copiers, computers, automobiles, facsimile machines, and similar items
- Gifts and meals for volunteer campaign workers
- Food and beverages provided at campaign functions
- Stationery
- Communications with prospective voters
- Polling and consulting
- Graphic arts
- Newsletters
- Literature delivery services
- Phone banks
- Transportation services, including but not limited to transporting voters to the polls
- Purchases of advertisements in athletic and scholastic publications
- Tickets for any fundraising event or testimonial affair for another candidate if the amount of the purchase does not exceed \$100 per event
- Purchases of **advertising** from charitable and civic organizations such as clubs, neighborhood organizations, schools, and churches provided that the value of the advertisement is equal to the purchase price.
- Purchase of American, state, or other flags to be donated to schools, civic, or charitable organizations.

**ADDITIONAL ALLOWABLE EXPENDITURES FOR GENERAL ASSEMBLY MEMBERS:**

KRS 121.175(1)

- A Member of the General Assembly may utilize funds in his or her campaign account to purchase items up to \$100 at a political party function, auction, or fund raiser. The total purchase of items or admission tickets should not exceed \$2,500 in one calendar year.

***Expenditures that are NOT Allowable***

KRS 121.175; 32 KAR 2:200

Kentucky law specifically provides that the following types of expenditures **are not allowable**:

- Expenditures which are illegal pursuant to any other provision of Kentucky Revised Statutes
- Tickets to an event which is unrelated to a political function
- Expenditures to promote or oppose a candidacy for a leadership position in a governmental, professional, or political organization, or other entity
- Equipment or appliances used primarily outside the campaign
- Charitable contributions to any religious, charitable, civic, eleemosynary, or other causes or organizations established primarily for the public good are expressly prohibited
- Expenditures which would bestow a private pecuniary benefit upon the candidate, a member of the candidate's family, a member of the candidate's committee, or any of their paid or unpaid employees
- Campaign funds may not be used to support another candidate. See page 36 concerning use of campaign funds to attend a fund raising event or testimonial affair.
- Tickets for general distribution for the purpose of influencing an election, either directly or indirectly
- Items of personal property given to prospective voters which do not bear the name, likeness, or logo of a candidate or a campaign-related communication
- Dues to professional, civic, or other organizations to which the candidate belongs, or desires to join
- Costs associated with an individual's performance of his official duties as an office holder
- No candidate for nomination or election to any office shall expend, pay, promise, loan or become liable in any way for money or anything of value, to any person in consideration for his or her vote.

## ITEMS NOT CONSIDERED EXPENDITURES

### *Transfers of Funds for Investment*

Transfers of campaign funds for investment are not disbursements. These funds must still be accounted for on the campaign's Election Finance Statement.

## REVIEW OF EXPENDITURES

32 KAR 2:200

If the Registry staff, on review of a submitted Election Finance Statement, determines that a questionable expenditure has been made, the burden shall be on the campaign to prove that the expenditure was an allowable expense under KRS 121.175.

### **NOTES:**